

NEW SOUTH WALES.

BUSINESS STATISTICS - MONTHLY DIGEST.

5th DECEMBER, 1941.

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NEW SOUTH WALES (AUSTRALIA).

MONTHLY DIGEST OF BUSINESS STATISTICS.

DECEMBER, 1941.

GENERAL. The change of Government in October, 1941 did not affect the direction or intensity of Australia's war effort. The ordinary peace-time labour force has been augmented by folk entering industry to serve the nation, and increasing earnings are a reflection of full employment and overtime working. In N.S.W. the wages bill in the year ended June, 1941 was approximately £211m, compared with £190m. in 1939-40 and £183.5m. in 1938-39. Success of the Commonwealth £100m. Loan indicates the strong credit position (with bank balances increased by war-time public disbursements and greater proceeds from exports) and the loyalty and confidence of investors.

Business conditions have been, perhaps, too favourable. There have been official hints that failing voluntary curtailment of civilian demand means may be taken to prevent non-essential industries competing for resources with war industries. (Instructions to trading banks re advances (see p. 3) are a step in this direction). Regulations recently made give the Commonwealth Treasurer and the Commonwealth Bank close control over trading banks in Australia.

Rural conditions are not yet good but enough rain has fallen to give a fair wheat harvest. The advent of heavy general rains is awaited to make the pastoral and dairying outlook more assured.

EMPLOYMENT is increasing in N.S.W., but not so rapidly as a year ago, partly because most additional man-power must come from hitherto non-employment-seeking groups. Men registered as unemployed at State Labour Exchanges numbered 10,977 in Oct., 1941 compared with 30,792 a year earlier and with 52,851 at the beginning of the War. Of these, many are unsuitable for regular employment.

From Oct., 1940 to Oct., 1941 employment increased by 38,777 compared with an increase of 29,832 in the preceding twelve months, but from June to Oct. there was an increase of only 9,948 this year as against that of 23,585 in 1940. It is the growing industrial war effort that has dominated and will continue to govern the trend in employment. Whilst, during the war period employment in non-manufacturing industries increased by 4.8 p.c., the increase in persons employed in factories was equal to 25.4 p.c.

EMPLOYMENT IN NEW SOUTH WALES.

Excluding relief workers and men in the Armed Forces not on civil pay-sheets.

	ALL EMPLOYMENT.			EMPLOYED BY FIRMS WITH TEN OR MORE EMPLOYEES.						
	Total Employ- ment.	Private Employ- ment.	In all Factor- ies. ^ø	Mines	Retail Trade.	Whole- sale Trade	Offices & Com- merce.	Shipg. & Rd. & Trnspt.	Person- al Ser- vices. [*]	Other Indus- tries.
	Number of persons employed - thousands.									
Aug., 1939(a)	831.8	680.3	228.7	21.7	51.3	25.4	27.1	20.7	29.3	20.2
Oct., 1940	879.9	725.0	253.9	21.3	51.6	25.8	30.1	21.3	30.8	19.8
Aug., 1941	912.2	748.1	281.3	21.0	53.5	26.2	29.8	21.2	31.0	17.9
Sept., "	916.6	751.2	285.7	21.0	53.4	26.4	30.6	21.4	31.2	18.7
Oct., " (b)	918.7	753.0	286.8	20.9	54.1	26.7	30.6	21.4	32.4	18.4
Increase (a) to (b) %	+10.4	+10.7	+25.4	-3.7	+5.5	+5.1	+12.9	+3.4	+10.6	-8.9

^øIncludes working proprietors.

^{*}Hospitals, professions, amusements, hotels, etc.

MANUFACTURING INDUSTRIES.

Some very large war factories are in an advanced stage of construction. To assist in overcoming problems of labour supply advisory committees on man-power priorities have been set up in each State. The Production Executive of Cabinet is investigating proposals for diversion of labour, material and plant from non-essential to war activities. An early revision

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of the list of reserved occupations is probable.

There were 286,800 persons employed in factories in N.S.W. in Oct., 1941, bringing the index number 59 p.c. above the best pre-depression level and making a total increase of 58,100 during the war period. Numbers employed at various dates are given in the preceding table.

Production of iron and steel has eclipsed all previous records. There have been increases in employment in practically all kinds of factories; proportionally greatest in industrial metals, chemicals, etc. and rubber factories, and considerable in textiles and food and drink and certain wood-working factories. The loading of electricity and gas plant has been heavier than ever before, but extensions already in hand will maintain a reserve of power ample for all requirements. Major power-houses in Sydney, Newcastle and Lithgow have been linked and connection of these with Port Kembla will soon be effected. In Oct., 1941 consumption of gas and electricity in Sydney and suburbs was 14 p.c. greater than in Oct., 1939. Particulars of coal production are secret but there have been no major industrial stoppages and more coal is being won than ever before. Sales from a sample of large factories in the first nine months of this year were 36.2 and 21.4 p.c. greater in value than in Jan.-Sept., 1939 and 1940, respectively, mainly because of supply of war materials to Government, but also partly due to higher prices and active civilian trading.

ALL FACTORIES.			1938	1939	1940	1941.
Employment.	Persons (000)	Oct.,	230.7	236.7	253.9	286.8
	Index No. (1928-29 = 100)		128	131	140	159

42 LARGE FACTORIES

Sales (£ million)	Jan.-Sept.	37.63	37.70	41.42	50.28
Gas and Electricity (Sydney)					
Index of Consumption (1929-31 = 100)	Oct.,	121	135	137	154

TRANSPORT undertakings have been taxed to cope with the heavy traffic consequent upon war activities. In Sept. Qr. the State Railways carried 20 p.c. and trams and buses 27 p.c. more passengers in 1941 than in 1939 and goods ton mileage of the railways increased by 16.4 p.c. (A decrease compared with 1940 was due to exceptional activity after ending of the coal stoppage in May, 1940). Many N.S.W. locomotives and goods waggons are being sent to Iran in extending aid to Russia. Petrol rationing has caused new motor sales to decline sharply and has increased demand upon public means of transport. Services are being extended to meet these demands. There were 1783 registered motor vehicles in N.S.W. with producer gas units affixed at Oct. 31, 1941.

	RAILWAYS (N.S.W.)			TRAMS & 'BUSES (Sydney & Newcastle)		MOTOR VEHICLES - N.S.W.		
	Passen- gers.	Goods Ton Mileage.	Working Surplus ^ø	Passen- gers.	Working Surplus ^ø	New Vehicle Sales.	On Register.	
							Cars	Lorries and Vans.
	Three Months ended September.					Oct.	At 31st Oct.	
	mill.	mill.	£000	mill.	£000	No. p.wk.	000	000
1938	46.9	452	1148	89.2	116	520	208	75
1939	43.9	475	1541	90.4	136	459	216	77
1940	46.4	676	2401	94.6	191	192	205	75
1941	52.5	553	2030	114.8	216	82	191	75

^ø Excess of earnings over working expenses before meeting interest, etc. charges.

TRADE AND COMMERCE. As regards internal trading it is very much "business as usual". Increased receipts from exports and the record level of Government disbursements have given the public more spending power than ever before. Bank clearings in Sydney in Jan.-Oct., 1941 were nearly 25 p.c. greater than in the ten months of 1939. Higher prices enter into this increase, and also into increases in sales at wholesale and retail, but there is some evidence of stronger consumer demand which has prompted Government appeals for moderation and hints of /rationing.....

rationing of supplies should voluntary efforts to restrict consumption fail.

New National Security Regulations applying to N.S.W. peg rents of houses and dwellings with shops (up to £4. 4s. a week) at those ruling in August, 1939. Perhaps a consequence of control over mortgage transactions, capital investment and building, real estate transactions remain considerably below the value in 1937-38 or 1938-39.

	BANK CLEARINGS. (Sydney).		WHOLESALE TRADE. (N.S.W.)		RETAIL TRADE (Sydney).	REAL ESTATE. N.S.W.	
	Amount	Index No.	Sales.		Sales	Sales	Mortgages
	Jan.-Oct.	Aug.-Oct.	Aug.	Jun.-Aug.	Sept. Qr.	Jan.-Oct.	
	£m.	1926-30=100	£m.	£m.	Index No. 1931 = 100	£m.	£m.
1938	771.6	101	15.28	125.90	153	31.95	22.07
1939	753.5	100	16.81	125.78	157	27.71	19.39
1940	880.2	115	17.17	131.65	169	26.15	14.14
1941	934.8	123	20.41	148.25	195	27.72	13.37

PRIVATE FINANCE. The cash position of trading banks in Australia is very strong; the ratio of cash and Treasury bills to deposits in Oct. 1941 was 23.8 p.c. compared with 23.4 p.c. in Oct., 1940 and 17.0 p.c. in Oct., 1939. Regulations made on Nov. 26, 1941 require trading banks to be licensed within three weeks (licenses may be withdrawn only on recommendation after enquiry by a High Court Judge) and provide that the banks

may make advances only in accordance with Commonwealth Bank policy;

may subscribe to loans and purchase securities only with the Bank's consent;

must deposit with Commonwealth Bank the part of their surplus funds determined by it on principles set down by the Commonwealth Treasurer, on which interest will be payable at a rate so fixed that a bank's profits may not exceed average profits in the three years ended August, 1939;

must publish accounts in a form as prescribed, and furnish statements as required to the Commonwealth Bank regarding their business.

The banks' books, etc. will be subject to inspection by the Auditor General periodically or as directed by the Treasurer.

These new arrangements were accepted by the trading banks in conference with the Commonwealth Bank and the Federal Treasurer. As explained by the Prime Minister the objects of the Regulations are to -

"ensure that the investment and loan policy of the banks should accord with the general principle laid down to govern civil investment, thus closing a major gap hitherto existing; and prevent the war financial policy of the Government increasing the profits of the private banks and providing the basis of an unsound expansion of credit".

Under the new Regulations trading banks have been informed by the Commonwealth Bank that in future accommodation to retailers and manufacturers of goods for civil consumption must be limited. The object is to promote diversion of money, labour and materials to war activities.

INVESTMENT. Increased taxation of companies, war developments and the trend of share prices in New York depressed the Sydney Stock Exchange in October. Share prices steadied early in November but did not regain the higher level of mid-September, and latterly have been declining again.

SYDNEY STOCK EXCHANGE

<u>DONEY STOCK EXCHANGE</u>		<u>Jan.,</u> <u>1940.</u>	<u>Oct.,</u> <u>1940.</u>	<u>Aug.,</u> <u>1941.</u>	<u>Sept.,</u> <u>1941.</u>	<u>Oct.,</u> <u>1941.</u>
Index Number of Prices of Ordinary Company Shares	Par = 100	182	168	186	191	186

/There.....

There is no significant movement in mortgage interest rates which averaged in Aug.-Oct., 1941 for private first mortgages, 4.9 p.c. for rural and 5.5 p.c. for urban mortgages. The market yield on Government securities probably was affected during Oct.-Nov., 1941 by the £100m. Cash and Conversion Loan, but is tending lower again. Subscriptions to the loan were £10.5m. in 2½ p.c., 1945-46 bonds and £89.5m. in 3¼ p.c. 1950-57 bonds. Cash applications numbered 80,000 and 70,000 bondholders converted. All except £6,722,000 of the £72.7m. of maturing loan was converted and the £30m. cash offer was oversubscribed by about £4m. The weighted average net redemption interest yields (calculated on earliest date of maturity) on Australian Consolidated Loans range in the vicinity of 3 p.c. per annum.

Wartime movements were as under -

<u>Bonds maturing in :</u>		<u>Sept.,</u> <u>1939.</u>	<u>Oct.,</u> <u>1940.</u>	<u>Sept.,</u> <u>1941.</u>	<u>Oct.</u> <u>1941.</u>	<u>Nov., 1941</u> <u>12th 26th</u>	
		Interest yield (s. d. per £100) per annum					
<u>5-10 years</u>	Fully Taxed	-	63 5	63 10	63 8	64 0	63 6
	Part Taxed	79 7	60 10	59 0	61 3	59 4	58 11
Over 10 Yrs.	Part Taxed	80 10	64 2	63 1	63 8	62 9	62 7

(Last Wednesday in month except where shown. Full Commonwealth taxation applies to interest on "Fully taxed" loans and taxation at 1930 rates to "Part Taxed". All bonds are free of State taxation).

PUBLIC FINANCE. Budget proposals (outlined last month) have been enacted with some amendments, chief of which are to exempt from wartime profits tax company profits up to 5 p.c. (instead of 4 p.c.) of capital, and to modify application of the new principle of aggregating the income of a husband and wife in determining the rate of tax to be paid by each.

Revenue continues to increase in N.S.W. and expenditure in the four months ended Oct., was slightly less this year than in 1940, and the budgetary position showed an improvement of £1,568,000.

NEW SOUTH WALES GOVERNMENT.

FOUR MONTHS ENDED OCTOBER.

	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941.</u>
Revenue (£ million)	15.77	15.86	15.82	18.96	20.09
Expenditure "	17.42	18.63	19.85	20.65	20.21

BUILDING INDUSTRY. An industrial dispute which closed brickyards for several weeks probably caused the sharp fall in building permits granted in Sydney and suburbs in Oct., 1941.

There has been active building of houses and factories - the number of dwellings proposed in Sept. Qr., 1941 was greatest of any wartime quarter - but work on buildings such as hotels, shops, theatres, etc. has decreased greatly. This reflects the control exercised to prevent the use of resources for non-essential purposes, which also has accentuated the falling off in erection of city buildings.

Increased sales tax on building materials (mostly raised from 5 p.c. to 10 p.c.) combine with higher prices to increase the cost of building. Some new co-operative building societies have been formed and advances have increased somewhat but activities of the societies are not comparable with those of 1938-39.

CO-OPERATIVE BUILDING SOCIETIES - N.S.W.

Increase during -

	<u>1939</u>	<u>Jan.-June,</u> <u>1940</u>	<u>July-Dec.,</u> <u>1940.</u>	<u>Mar. Qr.</u> <u>1941.</u>	<u>June Qr.</u> <u>1941</u>	<u>Sept.</u> <u>Qr.</u> <u>1941.</u>	<u>At 30th</u> <u>Sept.,</u> <u>1941.</u>
Members No.	1452	240	378	772	316	674	21,633
Shares ^o No. 000	31.6	4.9	10.3	12.7	5.7	12.5	294.9
Advances made £000	3623	1129	819	355	389	457	12,298

^o At £52 to £55 each.

/Public.....

Public building has been on a large scale and has provided an offset to the war-time decrease in private building activity. Statistical comparisons covering the war period are as follow:-

PRIVATE BUILDING PERMITS AND CONTRACTS FOR PUBLIC BUILDINGS, N.S.W.

PERIOD.	PRIVATE BUILDING PERMITS.						Contracts for Public Build- ings.
	Sydney.		129 Rural & Indus- trial Towns.	7 Semi- Urban Shires.	Total of Fore- going.	Net Addi- tional Dwellings Included.	
	City	Suburbs					
	£000	£000	£000	£000	£000	No.	£000
Yr. 1938	3410	10,632	5,279	1,051	20,372	17,748	{ not available 3,566
1939	1886	10,334	4,261	1,101	17,582	15,289	
1940	1534	10,184	3,744	1,144	16,606	14,071	
Sept.Qr. 1939	589	2,942	1,067	296	4,894	4,356	655
" 1940	424	2,420	905	291	4,040	3,342	1,454
June Qr. 1941	217	3,017	960	327	4,521	4,193	907
Sept.Qr. 1941	99	3,041	997	458	4,595	4,257	1,155

Legislation to set up a Housing Commission in N.S.W. has been enacted and both State and Commonwealth Governments are investigating problems of housing, particularly of workers engaged at newly erected war factories in country centres. The Commonwealth is lending N.S.W. £1. million to finance housing projects.

RURAL INDUSTRIES. Intermittent showers have sufficed to keep wheat crops growing and to fill out grain in most districts. The final forecast of the harvest in N.S.W. is 45 million bushels. This compares with an average of 60m. bus. a year in the ten years ended 1939-40 and the very poor harvest of only 28m. bus. last season. Advances made growers for wheat in the 1940-41 Pool are now equivalent to about 3s. 0²d. a bus. at country sidings.

Parts of the coastal dairying belt have received useful rain and butter production is increasing, but principal cheese districts remain in poor condition. Throughout the State there is need of copious rains to ensure summer pasturage. Shearing is practically finished. Indications are that in quantity the wool clip of 1941-42 is not quite equal to, but its quality is rather better than that of last season.

II. THE WORLD WHEAT SITUATION.

Crops in the four main exporting countries will yield a surplus much greater than probable import requirements and exportable stocks on July 31, 1942 may be about 1550m. bus. Australian and Argentine harvests seem barely average. Early crop prospects for 1942-43 appear favourable in the N. Hemisphere. The blockade and shipping difficulties keep world shipments low and storage of surplus wheat is a universal problem. Oversea and local prices show no important change. The Sydney wheat market is quiet.

PRODUCTION 1941-42.

Estimates of other authorities of the European harvest of 1941 are in close agreement with that of the Dept. of Agriculture at 1,430 million bushels. This is 8 p.c. above that of 1940 but 6 p.c. below the average of 1,516 m. bus. in the seasons 1931-32 to 1934-35.

"As far as individual countries and regions are concerned" says the Dept., "the principal gains over last year are expected in Western Europe, notably France, the British Isles and Portugal, with some small increases in central Europe and the Danube Basin. The outturn in French North Africa is reported to be considerably above last year's poor crop and should permit some exports. Prospects in Turkey and Greece, on the other hand are reported much less favourable than a year ago. In general it appears that the larger wheat acreage for harvest this year will account for the major part of the expected increase in the crops outturn; unfavourable conditions during much of the growing and harvesting season have prevented per-acre yields from significantly exceeding last year's generally below average levels, except in certain countries such as France, Belgium and Portugal, where 1940 yields were abnormally low".

Particulars of wheat production in Canada and the United States were given in earlier issues. The combined total of 1268 m. bus. was below the recent average, primarily because of the influences of smaller acreage and adverse weather which reduced Canada's harvest from 551 m. bus. in 1940 to 306m. bus. in 1941.

Argentina seems likely to garner less than 200 m. bus. Recent estimates range from 180 to 190 m. bus. Generally favourable weather during the growing period gave good crops to Victoria, and Western Australia, and in N.S.W. timely light to moderate rain filled out the grain enabling the forecast to be raised 2m. bus. to 45 m. bus. The total for Australia appears to be about 160 m. bus. This takes account of a revision by the S. Aust. Dept. of Agriculture reducing the estimate for that State on account of rust damage from 40 to 30 m. bus. Wheat production in Australia (by States) and Argentina compares as under:-

WHEAT PRODUCTION - AUSTRALIA AND ARGENTINA.

	Av. 1929-30 to 1933-34.	Av. 1934-35 to 1938-39.	1938-39	1939-40	1940-41 ø	1941-42 p.
	Millions of bushels.					
New South Wales	58.2	53.6	59.9	76.6	24.4	45.0
Victoria	42.3	34.5	18.1	45.0	13.5	43.0
South Australia	36.8	32.6	31.7	41.1	17.8	30.0
Western Australia	42.6	29.0	36.8	40.9	21.0	36.6
Queensland	4.0	4.2	8.6	6.6	5.6	3.2
All Australia	184.5	154.3	155.4	210.3	82.6	158.1
Argentina	228.3	230.5	336.2	119.4	271.2	190.0

ø Subject to revision.

p. Preliminary estimates.

THE SUPPLY SITUATION.

In some particulars the details of world production, trade and stocks of wheat given for 1940-41 and 1941-42 in B.S. 1941/11A require revision - as given by the Stanford Food Research Institute in Sept., 1941 net exports of wheat and flour were 490 m. bus. in 1940-41 and 520 m. bus. in 1939-40 - but that authority estimates the prospective surplus on July 31, 1942 at 1,550 m. bus., agreeing closely with tentative figure of 1,525 m. bus. shown in that table.

/This.....

This is, by far the world's greatest accumulation of wheat.

The position in the four principal exporting countries is somewhat as follows:-

WHEAT PRODUCTION AND STOCKS - PRINCIPAL EXPORTING COUNTRIES.

	Canada	U.S.A.(a)	Argentina	Australia	Total of Foregoing.
	Millions of bushels.				
Carry-over - 31.7.41	448	390	127(b)	42	1,007
Harvest, 1941-42	306	961	190	158	1,615
Total	754	1,351	317	200	2,622
Req'd. for consumption, 1941-42	130	700	100	55	985
For Export & Carry-over, 1941-42	624	651	217	145	1,637

(a) Year ended 30th June.

(b) At 30th June.

This, of course, is not a complete statement of world supplies, and it is obvious that without drawing upon old stocks at all, these countries could supply full world import requirements (unlikely to much exceed 400 m. bus. under present circumstances) from the excess (about 630 m. bus.) of this season's production over home-consumption needs.

INTERNATIONAL
WHEAT
CONFERENCE.

The Conference of representatives of the Canadian, United States, Argentine and Australian Governments convened in Washington in July, 1941 is still pursuing the question of an international wheat agreement. It is understood that certain proposals (not made public) have been referred to the respective Governments, and that these have been under consideration in Canberra. Governmental controls involving support of wheat prices by methods burdening public Treasuries are preventing a major collapse of the wheat-growing industry and authorities agree that the long-term future of wheat-growing can be assured only by some form of regulation which will more nearly relate productive capacity to capacity to consume.

CROP
PROSPECTS
1942-43.

Some Northern Hemisphere crops for harvesting in 1942 are already sown, i.e. part of the winter wheat belts in the United States, Europe and India, and in the next three months the great bulk of the wheat will be planted. Until flood rains occurred in some important districts late in October American winter wheat was being sown in very favourable conditions. In Europe the weather has been seasonable in the south and west and sowing is proceeding. India, where some crops are already well up, insufficient moisture has retarded development and hampered sowing of late crops.

It is reported that the Canadian Minister for Agriculture has appealed to growers to keep their 1942 wheat acreages down to the 1941 limits (21.7 m. ac. compared with average of 26.5 m. ac. in 1936-40.), and to concentrate on producing coarse grains to feed more livestock and poultry. According to a trade report "The United States Department of Agriculture is still trying to secure a reduction of wheat acreage for the 1942 crop to 50 m. acres".

WORLD
TRADE. Apart from the blockade of nearly all Europe the lack of shipping and high freight rates are the major factors retarding the trade in wheat. Canada is most favourably situated of the big exporting countries and in the year ended 31st July, 1941 disposed of the equivalent of 231 m. bus. - Canada's largest export for five seasons and $38\frac{1}{2}$ m. bus. or 20 p.c. more wheat than in 1939-40. A trade report late in November referred to "the purchase by Britain of Manitoba wheat futures representing 120 m. bus." but no reference to this appeared in the daily press. Earlier British bulk purchases from Canada were 120 m. bus. in May, 1941, 100 m.b. in Aug., 1940 and 50 m.b. in June, 1940. From the same source it is indicated that Britain has bought Canadian wheat for the Middle East and this "may be connected with the report that Britain is supplying 70,000 tons (2.63 m. bus.) to Turkey, of which 20,000 tons (746,000 bus.) have arrived". Wheat has also been bought from Canada for Eire, Switzerland, Portugal and Russia.

/Recently.....

Recently world shipments of wheat as estimated by a trade authority have averaged only slightly more than 4 m. bus. a week, compared with about 6m. bus. a year ago and a pre-war average of about 11 m. bus. a week.

In an effort to improve her shipping facilities Argentina acquired in September last 16 Italian ships totalling about 88,000 tons, idle in Argentine Ports, half by outright purchase and the rest on terms giving Italy option of re-purchase at the end of the war.

Because of strained storage space both the United States and Canada are encouraging farmers to store grain on their farms, as was done last season. In Canada payment allowed for storage is $1/45$ th of a cent a day commencing on Oct., 8, making the maximum payment in event of storage into July, 1942 of 6 c. (or A. 4d.) a bus. Insect infestation of stored wheat and maize has caused much concern in U.S.A., millers blame crude farm storage bins and inefficient country silos; the Government is blamed for permitting such storage; and temporary elevator annexes come in for criticism. Apparently this is an important problem not yet satisfactorily met.

LOCAL CONDITIONS. Australian wheat crops are being harvested. Farmers not delivering wheat in bulk are obliged to use new bags - a provision insisted upon by the Wheat Board since the wheat may need to be stored for a much longer period than usual. Any wheat delivered in second hand bags is to be docked 2s. 6d. per bag. Growers have been requested to take special care that wheat is fully matured and dry to lessen risks of deterioration in storage. The Wheat Board has sent out to all growers a circular and pamphlets regarding mouse-proof barriers and weevil control, in order to safeguard against loss of wheat whilst stored on farms. The transfer of N.S.W. rolling stock to the Middle East will increase the difficulties of transporting the harvest to the seaboard.

It is understood that owing to the shortage of rural labour preventing the cutting of excess acreages for hay by the relatively few farmers who planted excess areas, the Board has relaxed its order and will take delivery of grain from these areas, and later will determine what payment will be allowed for the wheat which will not rank with other wheat for pool distributions. Three additional wheatgrowers' representatives have been appointed to the Australian Wheat Board.

Payment of a further advance of 3d. a bus. on wheat in No. 4 Pool (1940-41 wheat) was approved early in November, 1941. There may be another small payment when all wheat in the pool is sold and the accounts are finalised. For bagged wheat (including bags) growers in New South Wales have now received 3s. 7d. a bus. less freight. Advances made are equivalent for both bulk and bagged wheat to about 3s. 0 $\frac{1}{2}$ d. net a bushel at country sidings, compared with the complete return of approximately 2s. 11d. (net) a bus. in No. 3 (1939-40) Pool.

It is likely that as the marketable part of this year's Australian harvest will not exceed the limits provided in the stabilisation scheme; it will be eligible for a guaranteed price of 3s. 10d. a bus., f.o.b., ports.

PRICES. In Chicago wheat futures fluctuated moderately in November a little below the recent high level and in Winnipeg the market firmed a little, though on the latter exchange prices ranged only a cent or two above the official minima. Quotations in Chicago (Dec. options) averaged (per bus.) 114.6 c. in Nov., 116.6c. in Oct., 121.7 c. in Sept., 1941 and 87.8c. in Nov., 1941. In Winnipeg averages for the respective months were 73.5c., 74.8c., 74.6c. and 72.2c. It is reported by a trade source that the Argentine Government has fixed for new crop 62 $\frac{1}{2}$ lb. wheat a minimum price equivalent to 3s. 1d. (Aust.) a bushel.

Price stability has been the characteristic of the London Baltic Exchange. During November prices of Canadian and Argentine wheat parcels rose slightly and for Australian wheat the quotation was unchanged. As the appended comparisons show the price of Australian wheat in London is 37 $\frac{1}{2}$ p.c. higher than it was two years ago, but this is a reflection of prices paid by consumers rather than received by suppliers:-

PRICES OF WHEAT PARCELS - LONDON BAL TIC EXCHANGE.

	June, 1937.	Nov., 1939.	Nov., 1940.	July, 1941.	Oct., 1941.	Nov., 1941.
Shillings and pence per Qr. (8 bus.) (End of Month).						
No. 1 Manitoba	51 7 $\frac{1}{2}$	27 0	33 3	31 4 $\frac{1}{2}$	31 0	31 9
Rosafe (A'tine.)	n.q.	20 9	19 6	21 0	21 6	22 0
Sth. Australian	45 0	20 0	25 6	27 6	27 6	27 6

/LOCAL.....

LOCAL
TRADE.

The wheat market in Sydney has been quiet with only scanty and irregular demand for wheat for export flour. To offset the poor crop in Queensland 250,000 bus. of N.S.W. wheat has been sold by the Wheat Board to the Queensland Government for delivery about March next. Supply will be effected from northern and north-western parts of N.S.W. On Dec., 1, 1941 produce wheat was reduced in price by $3\frac{1}{2}$ d. per bus. This was the first change in the price of this class of wheat since Jan., 27, 1941. The price of silo wheat for flour for local consumption has been unchanged at 3s. 11 $\frac{1}{4}$ d. a bus. since August 5, 1940. Flour for local consumption is quoted (wholesale in Sydney) at £12. 13s. a ton (including £2. 8s. 10d. a ton tax). The price was last changed on Nov. 14, 1940 and the rate of tax on Oct. 23, 1940. The flour-milling industry is still depressed.

Wheat prices in Sydney compare as under:-

PRICES OF BULK WHEAT - SYDNEY.

Monthly Averages - Per bushel ex trucks, Sydney.

Excluding bounty but including storage charges when payable.

Season ended November -	Av. for Season	Dec.	July	Aug.	Sept.	Oct.	Nov.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
1933-34	2 9	2 7	2 11	3 3	3 0	2 8	2 6
1936-37	5 3	5 4	5 7	5 3 $\frac{1}{2}$	5 3	5 3 $\frac{1}{2}$	4 7
1938-39	2 5	2 6	2 3 $\frac{1}{2}$	2 3	2 9	2 8	2 9 $\frac{1}{2}$
1939-40	3 10 $\frac{1}{2}$	3 5	4 0	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$	3 11 $\frac{1}{2}$	3 11 $\frac{1}{4}$
1940-41	-	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$	3 11 $\frac{1}{4}$

Shippers' offers to Dec., 1939; Australian Wheat Board's price for wheat for local flour subsequently.